



Recommendation for Water & Wastewater Commission

Commission Meeting Date:	February 10, 2016
Council Meeting Date:	March 3, 2016
Department:	Purchasing
SUBJECT	
Authorize award and execution of a 36-month contract with VISION MACHINE, INC. , for the repair of water treatment centrifuges in an estimated amount not to exceed \$379,985 with three 12-month extension options in an amount not to exceed \$178,545 for the first option, \$100,720 for the second option, and \$178,545 for the third option, for a total contract amount not to exceed \$837,795.	
AMOUNT AND SOURCE OF FUNDING	
Funding in the amount of \$73,886 is available in the Fiscal Year 2015 – 2016 Operating Budget of the Austin Water. Funding for the remaining 29 months of the original contract period and extension options are contingent upon available funding in future budgets.	
Purchasing Language:	Lowest bid received.
Prior Council Action:	N/A
For More Information:	Steve Aden, 512-974-2002; Steven Carrico, 512-972-1818
Boards and Commission Action:	February 10, 2016- To be reviewed by the Water and Wastewater Commission.
MBE/WBE:	This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods and services required for this solicitation, there were insufficient subcontracting opportunities; therefore, no subcontracting goals were established.

The contract will provide repair services for centrifuges used in the water treatment processes at Austin Water's Ullrich and Davis Water Treatment Plants, and Water Treatment Plant #4. Centrifuges have been used in the City's water treatment process for the past 22 years. They are used to dewater the sludge bi-product produced by the lime softening process in water treatment. This minimizes the number of truck-loads of material that has to be transported to the City's approved disposal sites.

Davis Water Treatment Plant has four, Ullrich Water Treatment Plant has four operational and Water Treatment Plant #4 has two centrifuges. During the summer months, Davis has three of the centrifuges in full-time operation with one in reserve; Ullrich operates two of the centrifuges in full-time operation with two in reserve; and Water Treatment Plant #4 has one in full-time operation with one in reserve. If a centrifuge needs repair or an overhaul, the City will replace it with the reserve unit.

The contractor will pick up the unit from the plant and take it to its facility for repair. After repairs are made, the unit is tested and returned by the contractor to the City and placed in reserve for future use. It is estimated that one centrifuge per facility will be overhauled or repaired each year, and it is anticipated that this will be accomplished during the winter months when the water production requirements are low.

MBE/WBE solicited: 2/0

MBE/WBE bid: 0/0

BID TABULATION

IFB No. STA1170

Title "Repair Services for Decanter Type Centrifuges"
(21 line items)

<u>VENDOR</u>	<u>TOTAL BID</u>
Vision Machine, Inc. Spring, TX	\$234,005
Gulf Coast Centrifuge Magnolia, TX	\$245,250
Centrisys Corporation Kenosha, WI	\$422,000
Alfa Laval, Inc. Houston, TX	\$790,435

A complete bid tabulation is on file in the Purchasing Office and is on the City's Financial Services Austin Finance Online website at:
https://www.austintexas.gov/financeonline/vendor_connection/solicitation/search.cfm

PRICE ANALYSIS

- a. Adequate competition.
- b. 62 notices were sent, including two MBE, there were no WBE firms listed for this commodity. Four bids were received, with no response from MBE/WBE.
- c. The pricing offered represents a 30% increase from the last contract awarded in October 2010. This increase can be attributed to increases in transportation and labor costs.
- d. Vision Machine, Inc. is not the current provider.

APPROVAL JUSTIFICATION

- a. Lowest bid received.
- b. The Purchasing Office concurs with Austin Water's recommended award.
- c. Advertised in the Austin American Statesman and on the internet.